

## **Procedures for Annual Adjustments Cass County**

### **Residential**

- Step 1: The Residential land values were trended by sales of vacant land within the neighborhood. Sales were used of vacant parcels as well as improved parcels that were vacant at the time of sale. In neighborhoods where there were no vacant land sales, the land was trended with the improvements. Values were adjusted using trending factors; there were no base rates changed.
- Step 2: After the land factors were established, those values were added to the current improvement values and compared to the improved sale prices. A separate trending factor was then applied to the dwelling of the property to raise or lower the values to an acceptable median level. If there were no sales in the neighborhood, then consideration was given to homes for sale in the neighborhood or the neighborhood was trended using similar neighborhoods or a township trending factor.
- Step 3: The newly established trending factors were applied to all properties within that neighborhood and a sales ratio study and abstract were ran to verify the changes.

### **Commercial / Industrial**

- Step 1: The C/I land values were trended by sales of vacant land within the neighborhood. Due to an insufficient number of vacant land sales in Cass County, the land was trended with the same multiplier used to trend the improved sales. We did use 2006 sales in the trending of land. That sale was adjusted with a -3% annual time adjustment.
- The land values for rural commercial and industrial properties were trended with the same factor applied to the residential land.
- Step 2: After the land factors were established, those values were added to the current improvement values and compared to the improved sale prices. A separate trending factor was then applied to the improvements of the property to raise or lower the values to an acceptable median level. Due to the limited amount of sales, the trending was expanded to county wide and one trending factor was applied to all commercial and industrial properties in Cass County.
- For income producing properties, income data sheets were mailed out and GRM's or capitalization of income was used to assist in determining the values.
- Step 3: The newly established trending factors were applied to all properties within that neighborhood and a sales ratio study and abstract were ran to verify the changes.